

04 NCAC 16F .0103 DEBT LIMITATION FOR WHOLLY-OWNED SERVICE CORPORATIONS

The aggregate amount of secured and unsecured debt that a wholly-owned service corporation may have outstanding at any one time to the savings institution and to non-stockholders shall not exceed:

- (1) ten times the total of the service corporation's net worth and unsecured debt to the savings institution;
or
- (2) twenty times the total if the service corporation engages in originating, investing in, selling, purchasing, servicing, or otherwise dealing in (including brokerage or warehousing) loans and participations in loans, that are underwritten in accordance with the savings institution's lending policy and secured by real estate or liens on mobile homes.

History Note: *Authority G.S. 54B-55; 54B-194; 54C-53; 54C-144;*
Temporary Amendment Eff. October 2, 1991 for a period of 180 days to expire on March 31, 1992;
Eff. August 31, 1981;
Amended Eff. November 1, 2017; May 11, 1992.